

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Calling Party Pays Service Option
in the Commercial Mobile Radio Services

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WT Docket No. 97-207

To: The Commission

REPLY COMMENTS OF 360° COMMUNICATIONS COMPANY

360° Communications Company ("360°")¹, hereby respectfully submits its reply to initial comments on the Commission's Notice of Inquiry in the above-captioned proceeding.² In the *Notice*, the Commission seeks comment on whether the wider availability of Calling Party Pays ("CPP") would facilitate competition in the local exchange marketplace by enabling Commercial Mobile Radio Service ("CMRS") providers to compete more readily with landline services, and whether there are actions that the Commission needs to take in order to promote the offering of CPP by CMRS providers.³

¹ 360° is the second largest publicly held cellular communications company in the United States. The company offers wireless voice and data services to 2.45 million customers in more than 100 markets throughout 15 states. 360° also provides residential long distance and paging services.

² Calling Party Pays Service Option in the Commercial Mobile Radio Services, *Notice of Inquiry*, WT Docket No. 97-207, FCC 97-341 (Oct. 23, 1997) ("*Notice*").

³ *Id.* at ¶ 1.

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360°, like the overwhelming majority of commenters, supports CPP as a voluntary CMRS service offering. The Commission should refrain from mandating CPP for all CMRS providers and instead, allow the market to determine the demand for such services. However, in order to enable CPP truly to flourish and to achieve its expected objective of encouraging and facilitating competition in the local exchange marketplace,⁴ the Commission must ensure that barriers to CPP, including inadequate interconnection arrangements with local exchange carriers (“LECs”) and inconsistent state regulations, are eliminated. Finally, the Commission must develop and adopt uniform, nationwide consumer protection guidelines and preempt inconsistent state regulations to alleviate the undue burden of complying with as many as fifty different state requirements.

I. CPP SHOULD BE A VOLUNTARY CMRS OFFERING

360° strongly endorses the Commission’s objective of exploring whether CPP will enable CMRS carriers to compete more readily with wireline services in the local exchange marketplace. With the passage of the Telecommunications Act of 1996, Congress sent a strong signal as to the need to increase competition in the local exchange marketplace. The availability of CPP would be a big step in that direction.

360° agrees with the many commenters who assert that CPP could greatly foster such competition by increasing wireless usage, balancing the currently disproportionate

⁴ *Id.*

share of land-to-mobile traffic, and stimulating wireless subscribership.⁵ However, the Commission should refrain from requiring CMRS carriers to provide CPP and, instead, allow market forces to determine implementation. The wireless industry has enjoyed tremendous growth and success as a result of allowing the marketplace to determine service offerings and options. CPP is another such offering that should be permitted, but not required of CMRS carriers. The deployment of CPP requires CMRS carriers to incur certain costs and thus to divert resources from other system improvements or customer offerings. As GTE remarks in its comments, the “decision to incur these costs is a market-based decision that depends upon an evaluation of benefits that may be provided by CPP weighed against the costs.”⁶ 360° agrees. Because consumer wants and needs can differ significantly from market to market, the public interest would best be served by authorizing CPP as a voluntary CMRS offering and by removing barriers that impede the provision of this service.

II. THE COMMISSION MUST REMOVE CURRENT BARRIERS THAT INHIBIT IMPLEMENTATION OF CPP

The *Notice* also seeks comment on whether there are any technical, regulatory or other barriers impeding the availability of CPP.⁷ Many of the commenters who are CMRS providers, and even some LECs, identify a number of barriers that currently

⁵ See, e.g., Comments of Sprint Spectrum at 4, 6; Comments of Airtouch at 6.

⁶ See Comments of GTE at 12.

⁷ See *Notice* at ¶ 5.

inhibit the provision of this service. One of the most significant is a CMRS carrier's current inability to ensure LECs assist in providing CPP where the call is placed by a landline customer to a CMRS subscriber. In order to provide CPP, it is essential that LECs cooperate in providing the necessary interconnection arrangements, including a means to pass along caller identification and billing information. Accordingly, 360° urges the Commission to require LECs to interconnect with CMRS providers, at reasonable rates and on non-discriminatory terms and conditions, for the provision of CPP so that there are no artificial barriers to the provision of this service.

Another barrier to the implementation of CPP is existing state regulation that either prohibits or greatly delays the provision of this service offering. 360° concurs with the Cellular Telecommunications Industry Association ("CTIA"), that such state regulatory roadblocks constitute prohibited regulation of CMRS rates.⁸ Section 332(c)(3)(A) of the Communications Act permits the Commission to preempt the states from imposing such barriers.⁹ 360° urges the Commission promptly to take such steps.

III. THE COMMISSION MUST ADOPT NATIONWIDE UNIFORM CONSUMER PROTECTION GUIDELINES

360° concurs with CTIA that "the Commission must adopt a uniform national notification program which imposes the lowest associated regulatory burdens and removes all unnecessary federal, state and local regulatory impediments to the

⁸ See Comments of CTIA at 15.

⁹ 47 U.S.C. § 332(c)(3)(A).

provision of CPP.”¹⁰ Currently, there are several different mechanisms that can be used to notify calling parties that, under CPP, they will bear the charges for a call to a wireless handset. In order to help ensure the widespread availability of CPP, it is necessary that uniform notification rules be developed. Most wireless carriers operate in several different states and thus would find themselves subject to inconsistent state regulation. Such inconsistent policies and procedures would impose an undue burden upon CMRS carriers and would impede the development and consumer acceptance of CPP. Customers are much more apt to use a service that is uniform and understandable, rather than inconsistent and state-specific. Therefore, 360° urges the Commission to preempt state regulations regarding CPP notification and adopt uniform, national guidelines so that all carriers and customers can use CPP consistently nationwide.

IV. CONCLUSION

For the foregoing reasons, 360° supports the availability of CPP as a voluntary CMRS offering and urges the Commission to foster its implementation by removing the barriers that impede the provision of the service. In order for CPP to be successful, the Commission must require LECs to interconnect with CMRS providers, at reasonable rates and on nondiscriminatory terms and conditions, for the provision of CPP. The Commission must also preempt inconsistent state regulation that prohibits or delays the implementation of CPP. Finally, 360° urges the Commission to adopt uniform CPP

¹⁰ Comments of CTIA at 2.

notification guidelines with which all carriers can comply. By taking these steps, the Commission will foster the successful implementation of nationwide CPP which in turn, will stimulate wireless usage and facilitate competition in the local exchange marketplace.

Respectfully submitted,

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